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# HOUSE BILL No. 1010

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 21-2.

**Synopsis:** Health insurance costs for school bus drivers. Authorizes a school corporation to pay the costs attributable to providing health insurance to the school corporation's bus drivers from either the school corporation's general fund or the school corporation's transportation fund.

**Effective:** July 1, 2001.

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January 8, 2001, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1010

A BILL FOR AN ACT to amend the Indiana Code concerning school transportation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 21-2-11-4 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. Any lawful school  
3 expenses payable from any other fund of the school corporation,  
4 including without limitation debt service and capital outlay, but  
5 excluding costs ~~attributable to transportation as defined in~~  
6 ~~IC 21-2-11.5-2~~, **payable from the transportation fund under**  
7 **IC 21-2-11.5-2(a)(1) through IC 21-2-11.5-2(a)(7) or costs payable**  
8 **from the school bus replacement fund under IC 21-2-11.5-2(b)**, may  
9 be budgeted in and paid from the general fund. In addition,  
10 ~~remuneration for athletic coaches (whether or not they are otherwise~~  
11 ~~employed by the school corporation and whether or not they are~~  
12 ~~licensed under IC 20-6.1-3)~~ **the following** may be budgeted in and paid  
13 from the school corporation's general fund:  
14 **(1) Remuneration for athletic coaches, whether or not they**  
15 **are otherwise employed by the school corporation and**  
16 **whether or not they are licensed under IC 20-6.1-3.**  
17 **(2) Costs attributable to providing health insurance to the**



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**school corporation's bus drivers.**

SECTION 2. IC 21-2-11.5-2, AS AMENDED BY P.L.96-2000, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. (a) Each calendar year, the governing body of each school corporation shall establish a school transportation fund which shall be the exclusive fund used by the school corporation for the payment of costs attributable to transportation listed in subdivisions (1) through (7), as authorized under IC 20, of school children during the school year ending in the calendar year:

(1) The salaries paid bus drivers, transportation supervisors, mechanics and garage employees, clerks, and other transportation related employees.

(2) Contracted transportation service, other than costs payable from the school bus replacement account under subsection (e).

(3) Wages of independent contractors.

(4) Contracts with common carriers.

(5) Pupil fares.

(6) Transportation related insurance.

(7) Other expenses of operating the school corporation's transportation service, including gasoline, lubricants, tires, repairs, contracted repairs, parts, supplies, equipment, and other related expenses.

**In addition, the governing body of each school corporation may use the transportation fund to pay the costs attributable to providing health insurance to the school corporation's bus drivers. The costs attributable to providing health insurance to the school corporation's bus drivers may be budgeted and paid from either the school corporation's general fund or the transportation fund established under this subsection.**

(b) The governing body of each school corporation shall establish a school bus replacement fund. The school bus replacement fund shall be the exclusive fund used to pay the following costs attributable to transportation:

(1) Amounts paid for the replacement of school buses, either through a purchase agreement or under a lease agreement.

(2) The costs of contracted transportation service payable from the school bus replacement account under subsection (e).

(c) Beginning January 1, 1996, portions, percentages, or parts of salaries of teaching personnel or principals are not attributable to transportation. However, parts of salaries of instructional aides who are assigned to assist with the school transportation program are attributable to transportation. The costs described in this subsection



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(other than instructional aide costs) may not be budgeted for payment or paid from the school transportation fund.

(d) Costs for a calendar year are those costs attributable to transportation for school children during the school year ending in the calendar year.

(e) Before the last Thursday in August in the year preceding the first school year in which a proposed contract commences, the governing body of a school corporation may elect to designate a portion of a transportation contract (as defined in IC 20-9.1-1-8), fleet contract (as defined in IC 20-9.1-1-8.2), or common carrier contract (as defined in IC 20-9.1-1-9) as an expenditure payable from the school bus replacement fund. An election under this section must be made in a transportation plan approved by the state board of tax commissioners under section 3.1 of this chapter. The election applies throughout the term of the contract. The amount that may be paid from the school bus replacement fund in a school year is equal to the fair market lease value in the school year of each school bus, school bus chassis, or school bus body used under the contract, as substantiated by invoices, depreciation schedules, and other documented information available to the school corporation. The allocation of costs under this subsection to the school bus replacement fund must comply with the allocation guidelines adopted by the state board of tax commissioners and the accounting standards prescribed by the state board of accounts.

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